



San Joaquin Valley

AIR POLLUTION CONTROL DISTRICT



AUG 22 2013

Jody Butler
Macpherson Oil Company
PO Box 5368
Bakersfield, CA 93388

Re: Notice of Final Action - Minor Title V Permit Modification
District Facility # S-1703
Project # S-1121423

Dear Mr. Butler:

The Air Pollution Control Officer has modified the Title V permit for Macpherson Oil Company by incorporating Authorities to Construct S-1703-144-13, '-209-0, and '-209-1. The ATCs authorized the installation of one fixed roof organic liquid storage tank connected to the vapor control, allowing tank interior cleaning, preventive inspection and maintenance conditions, and the vapor control system to be shut down during electrical power curtailment during power flex alerts.

Enclosed is the modified Title V permit. The application and proposal were sent to US EPA Region IX on May 20, 2012. No comments were received following the District's preliminary decision on this project.

Thank you for your cooperation in this matter. If you have any questions, please contact Mr. Leonard Scandura, Permit Services Manager, at (661) 392-5500.

Sincerely,

David Warner
Director of Permit Services

DW:sdd

Enclosures

Seyed Sadredin

cc: Gerardo C. Rios, EPA (w/enclosure) via email

Northern Region
4800 Enterprise Way
Modesto, CA 95356-8718
Tel: (209) 557-6400 FAX: (209) 557-6475

Central Region (Main Office)
1990 E. Gettysburg Avenue
Fresno, CA 93726-0244
Tel: (559) 230-6000 FAX: (559) 230-6061

Southern Region
34946 Flyover Court
Bakersfield, CA 93308-9725
Tel: 661-392-5500 FAX: 661-392-5585

San Joaquin Valley Air Pollution Control District

PERMIT UNIT: S-1703-144-16

EXPIRATION DATE: 07/31/2016

SECTION: 18 **TOWNSHIP:** 28S **RANGE:** 29E

EQUIPMENT DESCRIPTION:

2,000 BBL FIXED ROOF PETROLEUM STORAGE TANK #T-240 SERVED BY VAPOR CONTROL SYSTEM SHARED WITH S-1703-145, '-146, '-150, '-152, '-195, '-197, AND '-209 VENTING TO VAPOR CONTROL SYSTEM PERMITTED UNDER S-1703-143 AND/OR DIRECTLY TO STEAM GENERATORS S-1703-157, '-158, '-159, '-160, '-161, AND '-162 FOR INCINERATION

PERMIT UNIT REQUIREMENTS

1. The operator shall ensure that the vapor recovery system is functional and is operating as designed at all times with the exception of power curtailment events. [District Rule 2201] Federally Enforceable Through Title V Permit
2. This tank shall only store, place, or hold organic liquid with a true vapor pressure (TVP) of less than 0.5 psia under all storage conditions. [District Rule 4623] Federally Enforceable Through Title V Permit
3. Maximum VOC content of vapor in the tank vapor control system shall not exceed 10% by weight. [District Rule 2201] Federally Enforceable Through Title V Permit
4. The tank vapors may be introduced into TEOR system S-1703-143 at either the main trunk line, or immediately upstream of the H2S scrubber system. [District Rule 2201] Federally Enforceable Through Title V Permit
5. The tank shall be equipped with a vapor control system consisting of a closed vent system that collects all VOCs from the storage tank, and a VOC control device. The vapor control system shall be APCO-approved and maintained to prevent leaks. The vapors shall be incinerated to reduce the inlet VOC emissions by at least 99% by weight as determined by the test method specified in Section 6.4 of Rule 4623 in any of the following steam generators: S-1703-157, -158, -159, -160, -161, or -162; or vapors shall be injected into DOGGR approved wells listed on permit S-1703-143. [District Rule 2201] Federally Enforceable Through Title V Permit
6. Upon detection of any leaking components (having a gas leak >10,000 ppmv, measured in accordance with EPA Method 21 by a portable hydrocarbon detection instrument that is calibrated with methane) operator shall: (a) Eliminate or minimize the leak within 8 hours after detection. (b) If the leak cannot be eliminated, then minimize the leak to the lowest possible level within 8 hours after detection by using best maintenance practices; and eliminate the leak within 48 hours after detection. (c) In no event shall the total time to minimize and eliminate the leak exceed 56 hours after detection. [District Rule 2201] Federally Enforceable Through Title V Permit
7. If any of the tank components are found to be leaking, operator shall immediately affix a tag and maintain records of gas leak detection readings, date/time leak was discovered, and date/time the component was repaired to a leak-free condition. [District Rule 2201] Federally Enforceable Through Title V Permit
8. During a District inspection, any tank, gauge hatch, sampling device, or other component that is not leak free will not be a violation of this permit provided the facility records, tags, and repairs the leak in accordance with the requirements of this permit. [District Rule 2201] Federally Enforceable Through Title V Permit

PERMIT UNIT REQUIREMENTS CONTINUE ON NEXT PAGE

These terms and conditions are part of the Facility-wide Permit to Operate.

Facility Name: MACPHERSON OIL COMPANY

Location: HEAVY OIL CENTRAL STATIONARY SOURCE, CA

S-1703-144-16 : Aug 16 2013 10:54AM - DAVIDSOS

9. All vessel and vapor control system piping, fittings, and valves shall be inspected annually by the facility operator in accordance with EPA Method 21, with the instrument calibrated to methane, to ensure compliance with the provisions of this permit. If any of the vessel components are found to leak during an annual inspection, the inspection frequency for that component type shall be changed from annual to quarterly. If no vessel components are subsequently found to be leaking during five consecutive inspections, the inspection frequency may be changed from quarterly to annual. Components located in inaccessible (over 15 ft above ground when access is required from the ground or over 6 feet away from a platform when access is required from the platform) locations shall be inspected at least annually and components located in unsafe areas shall be inspected and repaired upon detection. [District Rule 2201] Federally Enforceable Through Title V Permit
10. Permittee shall notify the APCO in writing at least three (3) days prior to performing tank degassing and interior tank cleaning activities. Written notification shall include the following: 1) the Permit to Operate number and physical location of the tank being degassed, 2) the date and time that tank degassing and cleaning activities will begin, 3) the degassing method, as allowed in this permit, to be used, 4) the method to be used to clean the tank, including any solvents to be used, and 5) the method to be used to dispose of any removed sludge, including methods that will be used to control emissions from the receiving vessel and emissions during transport. [District Rule 2080] Federally Enforceable Through Title V Permit
11. This tank shall be degassed before commencing interior cleaning by following one of the following options: 1) exhausting VOCs contained in the tank vapor space to an APCO-approved vapor recovery system until the organic vapor concentration is 5,000 ppmv or less, or is 10 percent or less of the lower explosion limit (LEL), whichever is less, or 2) by displacing VOCs contained in the tank vapor space to an APCO-approved vapor recovery system by filling the tank with a suitable liquid until 90 percent or more of the maximum operating level of the tank is filled. Suitable liquids are organic liquids having a TVP of less than 0.5 psia, water, clean produced water, or produced water derived from crude oil having a TVP less than 0.5 psia, or 3) by displacing VOCs contained in the tank vapor space to an APCO-approved vapor recovery system by filling the tank with a suitable gas. Degassing shall continue until the operator has achieved a vapor displacement equivalent to at least 2.3 times the tank capacity. Suitable gases are air, nitrogen, carbon dioxide, or natural gas containing less than 10 percent VOC by weight. [District Rule 2080] Federally Enforceable Through Title V Permit
12. During tank degassing, the operator shall discharge or displace organic vapors contained in the tank vapor space to an APCO-approved vapor recovery system. [District Rule 2080] Federally Enforceable Through Title V Permit
13. To facilitate connection to an external APCO-approved recovery system, a suitable tank fitting, such as a manway, may be temporarily removed for a period of time not to exceed 1 hour. [District Rule 2080] Federally Enforceable Through Title V Permit
14. While performing tank cleaning activities, operators may only use the following cleaning agents: diesel, solvents with an initial boiling point of greater than 302 degrees F, solvents with a vapor pressure of less than 0.5 psia, or solvents with 50 grams of VOC per liter or less. [District Rule 2080] Federally Enforceable Through Title V Permit
15. Steam cleaning shall only be allowed at locations where wastewater treatment facilities are limited, or during the months of December through March. [District Rule 2080] Federally Enforceable Through Title V Permit
16. Before disposal of VOC vapors by well injection, the applicant shall obtain written notification from DOGGR that the wells are approvable for injection. [District Rule 2201] Federally Enforceable Through Title V Permit
17. Permittee shall conduct true vapor pressure (TVP) testing of the organic liquid stored in this tank at least once every 24 months during summer (July - September), and/or whenever there is a change in the source or type of organic liquid stored in this tank in order to maintain exemption from the rule. [District Rule 4623] Federally Enforceable Through Title V Permit
18. The API gravity of crude oil or petroleum distillate shall be determined by using ASTM Method D 287 e1 "Standard Test Method for API Gravity of Crude Petroleum and Petroleum Products (Hydrometer Method). Sampling for API gravity shall be performed in accordance with ASTM Method D 4057 "Standard Practices for Manual Sampling of Petroleum and Petroleum Products." [District Rule 4623] Federally Enforceable Through Title V Permit

PERMIT UNIT REQUIREMENTS CONTINUE ON NEXT PAGE

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19. For crude oil with an API gravity of 26 degrees or less, the TVP shall be determined using the latest version of the Lawrence Berkeley National Laboratory "test Method for Vapor pressure of Reactive Organic Compounds in Heavy Crude Oil Using Gas Chromatograph", as approved by ARB and EPA. [District Rule 4623] Federally Enforceable Through Title V Permit
20. The TVP testing shall be conducted at actual storage temperature of the organic liquid in the tank. The permittee shall also conduct an API gravity testing. [District Rule 4623] Federally Enforceable Through Title V Permit
21. Permittee shall submit the records of TVP and API gravity testing to the APCO within 45 days after the date of testing. The records shall include the tank identification number, Permit to Operate number, type of stored organic liquid, TVP and API gravity of the organic liquid, test methods used, and a copy of the test results. [District Rule 4623] Federally Enforceable Through Title V Permit
22. Operator shall conduct quarterly gas sampling after TVR compressor (prior to connection to any other vapor control system) and at either the first line tank or at any secondary tank which is heated above ambient temperature. If gas samples are less than 10% VOC by weight for 8 consecutive quarterly samplings, sampling frequency shall only be required annually and whenever there is a change in source or type of petroleum processed. Samples shall be collected during periods of normal operation, and not be within 48 hours after routine maintenance or repair. [District Rule 2201] Federally Enforceable Through Title V Permit
23. VOC content of gas shall be measured using ASTM D-1945, EPA Method 18 referenced as methane, or equivalent test method with prior District approval. [District Rule 2201] Federally Enforceable Through Title V Permit
24. A gas leak is defined as a reading in excess of 10,000 ppmv, above background, as measured by a portable hydrocarbon detection instrument in accordance with the procedures specified in EPA Test Method 21. [District Rule 2201] Federally Enforceable Through Title V Permit
25. Operator shall maintain an inspection log containing the following 1) Type of component leaking; 2) Date of leak detection, and method of detection; 3) Date and emission level of recheck after leak is repaired. [District Rule 2201] Federally Enforceable Through Title V Permit
26. Permittee shall maintain records of the VOC content of vapor in the tank vapor control system, including date and test results. [District Rule 2201] Federally Enforceable Through Title V Permit
27. The permittee shall maintain a written log of the date and duration of each power curtailment event. [District Rule 2201] Federally Enforceable Through Title V Permit
28. The permittee shall keep written documentation from the power supplier indicating the date, and duration of the curtailment in addition to the beginning and end times. [District Rule 2201] Federally Enforceable Through Title V Permit
29. All records shall be retained for a period of at least 5 years and shall be made available for District inspection upon request. [District Rule 1070] Federally Enforceable Through Title V Permit

These terms and conditions are part of the Facility-wide Permit to Operate.

San Joaquin Valley Air Pollution Control District

PERMIT UNIT: S-1703-209-2

EXPIRATION DATE: 07/31/2016

EQUIPMENT DESCRIPTION:

6,200 BBL WASH TANK CONNECTED TO VAPOR RECOVERY SYSTEM LISTED ON '144

PERMIT UNIT REQUIREMENTS

1. The tank shall be equipped with a vapor control system consisting of a closed vent system that collects all VOCs from the storage tank, and a VOC control device. [District Rule 2201] Federally Enforceable Through Title V Permit
2. Maximum VOC content of vapor in the tank vapor control system shall not exceed 10% by weight. [District Rule 2201] Federally Enforceable Through Title V Permit
3. VOC content of gas shall be measured using ASTM D-1945, EPA Method 18 referenced as methane, or equivalent test method with prior District approval. [District Rule 2201] Federally Enforceable Through Title V Permit
4. This tank shall only store, place, or hold organic liquid with a true vapor pressure (TVP) of less than 0.5 psia under all storage conditions. [District Rule 4623] Federally Enforceable Through Title V Permit
5. Operator shall conduct quarterly gas sampling after TVR compressor (prior to connection to any other vapor control system) and at either the first line tank or at any secondary tank which is heated above ambient temperature. If gas samples are less than 10% VOC by weight for 8 consecutive quarterly samplings, sampling frequency shall only be required annually and whenever there is a change in source or type of petroleum processed. Samples shall be collected during periods of normal operation, and not be within 48 hours after routine maintenance or repair. [District Rule 2201] Federally Enforceable Through Title V Permit
6. All vessel and vapor control system piping, fittings, and valves shall be inspected annually by the facility operator in accordance with EPA Method 21, with the instrument calibrated to methane, to ensure compliance with the provisions of this permit. If any of the vessel components are found to leak during an annual inspection, the inspection frequency for that component type shall be changed from annual to quarterly. If no vessel components are subsequently found to be leaking during five consecutive inspections, the inspection frequency may be changed from quarterly to annual. Components located in inaccessible (over 15 ft above ground when access is required from the ground or over 6 feet away from a platform when access is required from the platform) locations shall be inspected at least annually and components located in unsafe areas shall be inspected and repaired upon detection. [District Rule 2201] Federally Enforceable Through Title V Permit
7. Upon detection of any leaking components (having a gas leak >10,000 ppmv, measured in accordance with EPA Method 21 by a portable hydrocarbon detection instrument that is calibrated with methane) operator shall: (a) Eliminate or minimize the leak within 8 hours after detection. (b) If the leak cannot be eliminated, then minimize the leak to the lowest possible level within 8 hours after detection by using best maintenance practices; and eliminate the leak within 48 hours after detection. (c) In no event shall the total time to minimize and eliminate the leak exceed 56 hours after detection. [District Rule 2201] Federally Enforceable Through Title V Permit
8. If any of the tank components are found to be leaking, operator shall immediately affix a tag and maintain records of gas leak detection readings, date/time leak was discovered, and date/time the component was repaired to a leak-free condition. [District Rule 2201] Federally Enforceable Through Title V Permit

PERMIT UNIT REQUIREMENTS CONTINUE ON NEXT PAGE

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9. During a District inspection, any tank, gauge hatch, sampling device, or other component that is not leak free will not be a violation of this permit provided the facility records, tags, and repairs the leak in accordance with the requirements of this permit. [District Rule 2201] Federally Enforceable Through Title V Permit
10. Permittee shall conduct true vapor pressure (TVP) testing of the organic liquid stored in this tank at least once every 24 months during summer (July - September), and/or whenever there is a change in the source or type of organic liquid stored in this tank in order to maintain exemption from the rule. [District Rule 4623] Federally Enforceable Through Title V Permit
11. The API gravity of crude oil or petroleum distillate shall be determined by using ASTM Method D 287 e1 "Standard Test Method for API Gravity of Crude Petroleum and Petroleum Products (Hydrometer Method). Sampling for API gravity shall be performed in accordance with ASTM Method D 4057 "Standard Practices for Manual Sampling of Petroleum and Petroleum Products." [District Rule 4623] Federally Enforceable Through Title V Permit
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13. The TVP testing shall be conducted at actual storage temperature of the organic liquid in the tank. The permittee shall also conduct an API gravity testing. [District Rule 4623] Federally Enforceable Through Title V Permit
14. Permittee shall submit the records of TVP and API gravity testing to the APCO within 45 days after the date of testing. The records shall include the tank identification number, Permit to Operate number, type of stored organic liquid, TVP and API gravity of the organic liquid, test methods used, and a copy of the test results. [District Rule 4623] Federally Enforceable Through Title V Permit
15. The permittee shall keep accurate records of each organic liquid stored in the tank including TVP and API gravity. [District Rule 4623] Federally Enforceable Through Title V Permit
16. Operator shall maintain an inspection log containing the following 1) Type of component leaking; 2) Date of leak detection, and method of detection; 3) Date and emission level of recheck after leak is repaired. [District Rule 2201] Federally Enforceable Through Title V Permit
17. Permittee shall maintain records of the VOC content of vapor in the tank vapor control system, including date and test results. [District Rule 2201] Federally Enforceable Through Title V Permit
18. All records shall be retained for a period of at least 5 years and shall be made available for District inspection upon request. [District Rule 2080]

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